



## **The Battery Material Processing and Component Manufacturing Act**

The bipartisan Battery Material Processing and Component Manufacturing Act makes critical investments in establishing supply chains for processing, manufacturing, and recycling battery materials and components here in the United States. Battery minerals and materials are the new engines of the global economy and are critical to energy, defense, industrial, and consumer applications.

With demand for batteries skyrocketing as a result of the global transition to electrification, developing a domestic supply chain for batteries is vitally important. Due to a lack of investment in the battery supply chain, the U.S. now finds itself in a precarious position, reliant on international competitors for battery minerals and technologies. Currently China maintains a stranglehold on all stages of the battery supply chain, which is achieved with poor labor and environmental standards. This is not only an economic security issue; it is a national security issue as well. By investing in a robust battery supply chain, the U.S. can create jobs, reduce emissions, enhance our economic and national security, and provide innovative leadership in battery markets both at home and abroad.

To capitalize on these opportunities, The Battery Material Processing and Component Manufacturing Act of 2021 will inject much needed funding, in the form of cost-shared grants, into the midstream sectors of the battery supply chain. The bill would provide \$10 billion in funding over five years to the Energy Department (DOE) for building a domestic battery supply chain. Funding for this progress would be split between two DOE offices:

- The Office of Fossil Energy - \$3.5 billion over 5 years for materials processing; and
- The Office of Energy Efficiency and Renewable Energy - \$6.5 billion over 5 years for manufacturing and recycling.

Grants would fund demonstration and commercial-scale facilities as well as the retooling, retrofitting, or expansion of existing facilities that process battery materials such as lithium and graphite, manufacture battery components such as anodes and cathodes, or recycle battery materials for reuse. Additionally, the grants would be prioritized for projects that provide workforce opportunity to those in low income communities, reduce green house gas emissions, and involve a partnership with academia or national labs to spur innovation and cost reductions.

Not only would this measure improve our national security, but it would also make the U.S. more competitive in the global marketplace and help spur significant economic growth through the creation of new advanced manufacturing jobs.

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